STRESS AND VOLUNTARY TURNOVER: AN EMPIRICAL ANALYSIS

WITH SPECIAL REFERENCE TO SOFTWARE EMPLOYEES

IN BANGALORE, INDIA

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ABSTRACT

Excessive work stress is now considered a modern day pandemic, which carries significant cost and health implications for individuals, organizations, and societies at large. occupational stress is thought to be a primer of voluntary turnover, which is when an employee leaves their organization of their own volition, often against the wishes of their employer. stress is a feeling of strain and pressure. it may be understood as a response produced by your body when you are subjected to various types of demand whether physically, mentally or emotionally. stress can be broadly classified into work related and personal life related. this paper focuses on stress that is work related. stress at workplace is inevitable. "workplace stress" is the harmful physical and emotional responses that can happen when there is a conflict between job demands on the employee and the amount of control an employee has over meeting these demands. in general, the combination of high demands in a job and a low amount of control over the situation can lead to stress. increasing complexities of work are a great source of stress for the employees. jobs in information technology are the most coveted one in modern india, and the most brilliant section of the youth are going for it. people working in the it industry experience a lot of stress, anxiety, depression and loneliness because of the work environment and often exhibit a feeling of inadequacy, low self esteem and dissatisfaction thus leading to voluntary exit from the organization. the challenge for most of the organizations today is an effective retention of talented employees for attainment of organizational goals. this article is concerned with the impact that stress has on the voluntary turnover of software professionals in india

KEYWORDS: *Stress, Workplace Stress, Voluntary Exit, Retention, Human Resource Management*

Original Article

"A landmark 20-year study conducted by the University of London concluded that unmanaged reactions to stress were a more dangerous risk factor for cancer and heart disease than either cigarette smoking or high cholesterol foods."

INTRODUCTION

Retention and motivation of employees are major concerns of HR personnel in current days. In the present scenario it becomes very important for employers to retain its employees. Top organisations are able to retain their position because they try their best to keep the employees glued to the organisation. The software business has long been one of the most innovative and fastest growing sectors of the Indian economy. Although the industry has grown in a spectacular fashion, sustaining this performance will pose a number of challenges. High rates of voluntary turnover are a major problem in most of the software companies. Despite paying substantially above the Indian standards almost all firms find it difficult to retain talented professionals. Several studies and reports have shown that workplace stress is a major reason why employees choose to voluntarily exit from the current job.

Job stress is a common workplace problem experienced by all professionals irrespective of their nature of work; however, this phenomenon is more common in situations that are deadline driven. The software industry is one such sector, which is affected profoundly by this challenge, and professionals serving these organizations are often observed under huge stress. Software professionals' nature of job is highly time-bound, client-oriented and technology intensive. The trends in turn, coupled with many factors such as work overload, lack of acceptability, feeling of inequality, long working hours contribute towards stress.

Thus the retention of software employees who opt to voluntarily leave the organisation on account of stress related factors are given prime importance these days. According to a recent Economic Times Report depression and stress levels among the software professionals are reaching alarming levels. More and more software professionals are being reported with problems of acute depression, insecurity, low confidence, dejection, aversion to social life and panic. Large scale layoffs, increasing numbers of employees on "bench" and random reallocation of projects and work-locations without employee consent are the primary reasons driving the depression. Added to it is the general work culture and lifestyle of IT employees, where they are expected to work up to 10-12 hours daily, and pitch in on weekends too, with no additional pay in order to appear "committed" to their work.

The IT industry, which was once a magnet for young talent with its fat salaries, stock options and modern workspaces, is now falling in the throes of a slowdown. This year, the industry will hire 50,000 people less than last, according to Nasscom forecasts. Salary costs eat up a big chunk of the industry's $76-billion revenues and any cost-cutting inevitably hits employees first. The industry is enforcing a zero-tolerance policy for laggards. Since variable pay is a high percentage of salary and calibrate to profits, small differences in performance ratings make a large impact on take-home salary. 1 to 1, a counselling centre for IT professionals, says even a hint of a negative communication causes heightened fear and anxiety. Financial pressures can easily crack someone who lacks nurturing emotional relationships. About 80% of India's tech workforce is under 40 years of age. They are at the peak of their earning careers and have taken on significant loan repayment commitments. Thus work related stressors coupled with personal issues create an aura of stress for the software employees.

The factors that cause stress are called stressors. These stressors can be further divided into organisational stressors and non organisational stressors. The main sources of **organisational stress** are as follows:

- **Career Concern**: If an employee feels that he is very much behind in the corporate ladder, then he may experience stress and if he feels that there are no opportunities for self-growth he may experience stress. Hence unfulfilled career expectations are a major source of stress.

- **Role Ambiguity**: It occurs when the person does not know what he is supposed to do on the job. His tasks and responsibilities are not clear. The employee is not sure what he is expected to do. This creates confusion in the minds of the worker and results in stress.

- **Rotating Shifts**: Stress may occur to those individuals who work in different shifts. Employees may be expected to work in day shift for some days and then in the night shift. This may create problems in adjusting to the shift timings, and it can affect not only personal life but also family life of the employee.

- **Role Conflict**: It takes place when different people have different expectations of a person performing a particular role. It can also occur if the job is not as per the expectation or when a job demands a certain type of behaviour

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that is against the person's moral values.

- **Occupational Demands**: Software employees are often required to work in a deadline oriented manner which creates a lot of pressure on the employee thereby leading to increased stress levels.

- **Lack of Participation in Decision Making**: Many experienced employees feel that management should consult them on matters affecting their jobs. In reality, the superiors hardly consult the concerned employees before taking a decision. This develops a feeling of being neglected, which may lead to stress.

- **Work Overload**: Excessive work load leads to stress as it puts a person under tremendous pressure. Work overload may take two different forms:-

- Qualitative work overload implies performing a job that is complicated or beyond the employee's capacity.

- Quantitative work overload arises when numbers of activities to be performed in the prescribed time are many.

- **Work Under load**: In this case, very little work or too simple work is expected on the part of the employee. Doing less work or jobs of routine and simple nature would lead to monotony and boredom, which can lead to stress.

- **Lack of Group Cohesiveness**: Every group is characterised by its cohesiveness although they differ widely in degree of cohesiveness. Individuals experience stress when there is no unity among the members of a work group. There is mistrust, jealousy, frequent quarrels, etc., in groups and this lead to stress to employees.

- **Interpersonal and Intergroup Conflict**: Interpersonal and intergroup conflict takes place due to differences in perceptions, attitudes, values and beliefs between two or more individuals and groups. Such conflicts can be a source of stress to group members.

- **Organisational Changes**: When changes occur, people have to adapt to those changes and this may cause stress. Stress is higher when changes are major or unusual like transfer or adaption of new technology.

- **Lack of Social Support**: When individuals believe that they have the friendship and support of others at work, their ability to cope with the effects of stress increases. If this kind of social support is not available, then an employee experiences more stress.

Non Organisational Stressors

- Certain factors outside the scope of an organisation also cause stress.

- **Civic Amenities**: Poor civic amenities in the area in which an employee resides can be a cause of stress. Inadequate or lack of civic facilities like improper water supply, excessive noise or air pollution, lack of proper transport facility can be quite stressful.

- **Life Changes**: Life changes can bring stress to an individual. Life changes can be slow or sudden. Slow life changes include getting older and sudden life changes include death or accident of a loved one. Sudden life changes are highly stressful and very difficult to cope.

- **Frustration**: Frustration is another cause of stress. Frustration arises when goal directed behaviour is blocked. Management should attempt to remove barriers and help the employees to reach their goals.

- **Caste and Religion Conflicts**: Employees living in areas which are subject to caste and religious conflicts do suffer from stress. In the case of religion, the minorities and lower-caste people (seen especially in India) are subject to more stress.

- **Personality**: People are broadly classified as 'Type A' and 'Type B'. Type A people have the following characteristics:

- Feels guilty while relaxing.

- Gets irritated by minor mistakes of self and others.

- Feels impatient and dislikes waiting.

- Does several things at one time.

While the 'Type B' people are exactly opposite and hence are less affected by stress due to above mentioned factors.

- **Technological Changes**: When there are any changes in technological fields, employees are under the constant stress of fear of losing jobs, or need to adjust to new technologies. This can be a source of stress.

- **Career Changes**: When a person suddenly switches over a new job, he is under stress to shoulder new responsibilities properly. Under the promotion, over promotion, demotion and transfers can also cause stress.

Organisational and non organisational factors contribute in varying proportions to the increased stress levels of software employees. This article uses Paired sample test to determine their impact and also to reflect which among these result in increased stress levels, thereby resulting in the voluntary exit of an employee from the company.

REVIEW OF LITERATURE

Ivanchevich, NapierWetherbe, (1983) observed that workload, time pressure, role ambiguity, role conflict, career progress and communication are considered as major sources of pressure in the life of a software industry professional. Pressure ultimately causes the stress that leads to different types of strain and finally hampers the performance of the employees. Stress, not just affects the efficiency of the employees, but also causes ailment and other physical or emotional problems as well (Singh, 2003).

Fletcher, Gowler and Payne, (1979) had expressed the view that occupational stress is more likely to be found among blue-collar and routine white-collar workers because often they work to meet the difficult deadlines or the heavy burden of work does not give them time to relieve the pressure. (McKenna, 2002) had observed that long hours, competition, pressure to perform, over-promotion, conflict between work and private life, and job insecurity are the various stressors that software employees experience on a daily basis thus leading to voluntary decision to leave the organisation.

Rajeswari and Anantharaman (2003) have identified ten most important factors that are crucial in determining the job-related stress among software professionals. These factors are: fear of obsolescence, individual and team interaction, client interaction, work-family interface, role overload, work culture, technical propensity and family support towards career Fear of obsolescence is the stress caused by changing technology when software developers feel stressed to learn newer technology along with their routine job. Software development is a process carried out in various teams and requires

greater interaction among team members which creates pressure on one member to timely respond to the other member, and transfer the details of work to them. Work culture in software houses also causes stress because software professionals often work for longer hours than usual; they are supposed to work even on holidays during near-completion time of their projects. Role overload is another major stress factor among software developers because if a team member leaves during the project, then other members are supposed to take over the responsibility of that person. Involving a new member in the team requires the training of that person and delays the project.

According to Acton and Golden (2002), 'The satisfaction of an employee and his retention in general is important; however, the retention of software personnel is vital for business successes.' This is also verified by the studies of MacDonald (2000). In fact, software development is a human-intensive industry and farsighted project managers recognize that the greatest impediments to success are often related to people rather than to information, technology, and systems (Roepke, Agarwal et al., 2000). Considering the high costs associated with replacing IT staff and their experience, it makes sense for companies to invest in mechanisms designed to keep IT staff longer (Mak and Sockel, 1999; Moore, 2000). This may involve keeping their job more relaxed and stress free. Hence, understanding the mechanism of their job and complexities is vital to optimize the performance and retention.

Darshan et al (2009) in their article, A study of professional stress, depression and alcohol use among Indian software professionals, observed that the software employees are professionally stressed and are at 10 times higher risk for developing depression and also significantly increase the incidence of psychiatric disorders thus leading to the voluntary decision to leave the company. Many researchers believe that stress is becoming a major contributor to negative psychological consequences of the employees and results in low employee morale, high rate of absenteeism and voluntary turnover; they in turn cause difficulties for employees in getting along with others resulting in decreased productivity (NASSCOM, 2013).

About 45.88% people find working in the software profession as stressful (report, Jobs with Justice, October 2012). It also adversely affects their health. This sector face one of the highest rates of voluntary turnover, with attrition levels averaging around 30-35 % (30 March 2013, Financial Express). The high attrition and absenteeism shows that these professionals experience many negative psychological consequences brought about by stress that they face in their occupation (Engler 1995; Igbaria, 1992; Ivancevich et.al., 1985).

Vowler, (1995) observed that the working conditions in the software profession is becoming very stressful with average working hours extended to 50 hours per week, working on Saturdays and Sundays and not being able to take leave when sick (King, 1995). Due to long working hours and monotonous work, the IT jobs have been equated to 'electronic sweat shop', 'battery hens' '19th century prison' and 'Roman slave ship' (Shahnawaz, 2006). According to ComPsych Corp. survey, more than two-third of the software employees feels 'high stress' in their jobs.

OBJECTIVE OF THE STUDY

The objective of the study is to understand the impact that stress related factors have on the voluntary turnover of software professionals.

The study also aims to determine whether organisational stressors or non organisational stressors prompt a software professional to leave his current job.

RESEARCH METHODOLOGY

Population

The population selected for this particular study is employees from software companies in Bangalore City.

Research Design

The study is descriptive in nature. Descriptive research includes surveys and fact finding questionnaires.

Sample Design

- Type of Universe- Finite

- Type of Sampling- Convenient Sampling

- Sampling Unit- Bangalore

- Source List- Software employees

- Size of sample-100

Tool Of Data Collection

Data was collected by administering a structured questionnaire to the employees of software companies. The respondents were questioned on the issues affecting the stress level of the employees, the expectations of their roles, level of satisfaction etc.

Sources of Data

Primary data and secondary data have been used for the study. Primary data were collected by direct interview through a questionnaire. Secondary data was collected from research publications, journals, periodicals and websites

Statistical tool

Chi-Square Test has been used for analysing the impact stress related factors have on the number of voluntary exits from the company.

The paired samples t test has also been used to determine whether organisational factors or non organisational factors contribute more to the increased stress levels among the software employees thereby resulting in their voluntary exit from the company.

Analysis and Interpretation

Hypothesis formulation for Chi square test:

Null Hypothesis H_0: There is no significant relationship between stressors and the number of people who leave the organization

Alternate Hypothesis H_1: There is a significant relationship between stressors and the number of people who leave the organization.

Table 1

Causes of Stress	Number OE Employees Leaving the Company
Work overload	10
Stress due to technological problem	30
Time management	15
Lack of support	25
Job Difficulty	15
Inadequacy of role authority	5

Chi Square Test

Calculated value = 25.52

Degree of freedom: (n-1)= 5

Level of significance: 5% 0.05

Table Value=11.02

Findings

The calculated value is greater than the table value, so reject Ho (Null Hypothesis) which states that there is no significant relationship between stress and the number of employees who voluntarily leave the company.

Accept Alternate Hypothesis (H1) which states that stress related factors does have an impact on the voluntary turnover of employees in an IT company.
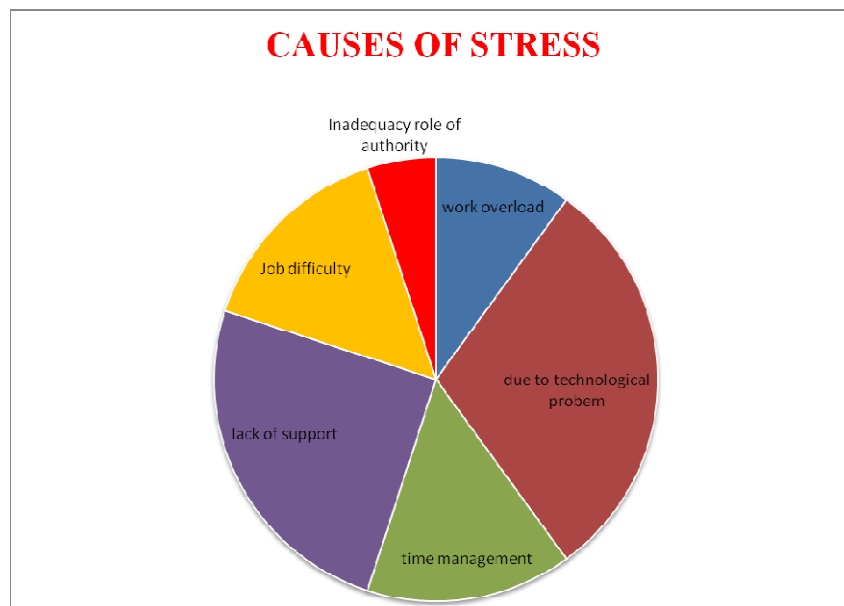
A Pie Chart Showing the Causes of Stress (Stressors)

Paired Samples t Test

Formulation of Hypothesis for Paired Samples t Test

H$_0$: There is no significant relation between voluntary turn-over of the employee due to organizational and non-organizational factors.

H$_1$: There is a significant relation in voluntary turn-over of the employee due to organizational and non-organizational factors.

Table 2: Paired Samples Statistics

FACTORS	Mean	N	Std. Deviation
ORGANIZATIONAL FACTOR	23.3700	100	2.20951
NON-ORGANIZATIONAL FACTOR	21.2700	100	3.33592

Table 3: Paired Samples Test

PAIR	Paired Differences			df.	Sig.
	Mean	Standard Deviation	t.		
Organizational Factor- Non-Organizational Factor	2.10000	4.14510	5.066	99	.000

Findings

The significance value is less 0.05, therefore we reject the null hypothesis. Hence there is a significant difference in the voluntary turnover of employees due to organizational and non-organizational factor.

The sign of the mean is positive so the organizational factors or stressors are more responsible for the voluntary turnover of software professionals.

Suggestions

- The management should ensure that there is the proper division of work so that an individual employee does not feel workload thus leading to stress.

- Improvisation to the technical part of the job should be given importance so as to reduce the stress that an employee experiences on account of technological issues.

- Counselling sessions should be provided to the employees regarding the proper utilization of time. This effort will help the employees in tiding over problems of time management.

- The employee will feel happy to work with the current management only if he or she experiences support from the management. The management can ensure support of the employees in terms of providing various supportive measures like improving the quality of work life and ensuring work life balance etc.

- Innovative thinking and creativity of the employees should be given value, thus making the employees feel that they are part of the management rather than ordinary employees.

CONCLUSIONS

The problem of stress is inevitable and unavoidable in the IT industry particularly software sector. The management of the software companies must take several initiatives in helping the employees to tide over their stress related issues and retain them with the company. The success of any enterprise depends upon employees who are committed towards their work and the concern. The employers should understand this ground reality and work towards establishing a workforce with a relatively less degree of stress, thereby reducing the number of employees who decide to

voluntarily leave an organisation.

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